



DEPARTMENT OF THE ARMY  
U.S. Army Corps of Engineers  
WASHINGTON, D.C. 20314-1000

REPLY TO  
ATTENTION OF:

CERE-L (27-1j)

19 January 1999

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Real Estate Policy Guidance Letter No. 17--Congressional Reports of GSA Leases (10 U.S.C. 2662)

1. The statute generally requires reporting certain Military Service real property transactions, including leasing activities. Subsection (a) applies to Army acquisitions (using its own authority or General Services Administration (GSA)-delegated authority. Subsection (e) of the statute applies to acquisition of GSA-provided space (owned or leased) which increases the Department of Defense (DOD) total occupancy. A copy of the applicable language is enclosed.
2. It has been our practice to presume that, under subsection (e), any GSA-provided space increased the DOD total inventory. That was applicable to space obtained for the Corps, Army, or a Corps-client. Under current conditions (e.g. downsizing; declining budgets), that presumption is no longer valid.
3. Accordingly, the following guidance is provided for current and future actions under subsection (e).
  - a. Continuation of previously reported, GSA-provided space--without any increase--does not require a report. This includes a "follow-on" lease, a lease "renewal", or similar terminology. This also includes relocation within close geographic areas.
  - b. If any such action is unusual and/or may result in controversy or political interest, a report should be submitted for decision.
  - c. Acquisition of new and/or additional GSA-provided space continues to be subject to review.

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4. There is no change in the applicability of subsection (a).

FOR THE COMMANDER:

Encl

  
ELIZABETH L. FAGOT  
Acting Director of Real Estate

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CF: w/encl (continued)

OASA(I,L&E) (Mr. Birney)

AFREA (Mr. Edwards)

NAVFACENGCOM (Mr. Cocks)

CERE-A

CERE-E

CERE-M

CERE-P

Sec. 2662. Real property transactions: reports to congressional committees

(a) The Secretary of a military department, or his designee, may not enter into any of the following listed transactions by or for the use of that department until after the expiration of 30 days from the date upon which a report of the facts concerning the proposed transaction is submitted to the Committees on Armed Services of the Senate and House of Representatives:

(1) An acquisition of fee title to any real property, if the estimated price is more than \$200,000.

(2) A lease of any real property to the United States, if the estimated annual rental is more than \$200,000.

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(e) No element of the Department of Defense shall occupy any general purpose space leased for it by the General Services Administration at an annual rental in excess of \$200,000 (excluding the cost of utilities and other operation and maintenance services), if the effect of such occupancy is to increase the total amount of such leased space occupied by all elements of the Department of Defense, until the expiration of thirty days from the date upon which a report of the facts concerning the proposed occupancy is submitted to the Committees on Armed Services of the Senate and the House of Representatives."

ENCLOSURE